

**BEFORE THE COMMISSIONER OF INSURANCE  
OF THE STATE OF KANSAS**

<b>FINAL ORDER</b> <b>Effective: 6/15/05</b>
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In the Matter of the Kansas Resident	)	
Insurance Agent's License of	)	Docket No. 3399-SO
PAMELA K. HURLEY	)	

**SUMMARY ORDER**  
(Pursuant to K.S.A. 2004 Supp. 40-4909 and K.S.A. 77-537)

Pursuant to authority granted to the Commissioner of Insurance ("Commissioner") by K.S.A. 2004 Supp. 40-4909, the Commissioner hereby revokes the resident agent's license of Pamela K. Hurley, (Respondent) by way of Summary Order as provided by K.S.A. 77-537.

**Findings of Fact**

1. Records maintained by the Kansas Insurance Department ("KID") indicate that Respondent is licensed as a resident agent to transact the business of insurance in the State of Kansas. KID records further indicate a legal and mailing address of 12038 South Greenwood, Olathe, Kansas 66062.

2. Farmers' Insurance Group ("Group") notified KID that it had terminated Respondent's appointment on February 11, 2004 "due to "taking cash premium and converting it to personal use."

3. The Group supplied supporting documents to establish that on two occasions Respondent, whose duties as Customer Service Representative for the Geoffrey Southwell Insurance Agency included receipting customer payments, accepted cash premiums from insureds, prepared written receipts for the payments and failed to apply the premiums to the insureds' accounts.

4. During an internal investigation, Respondent did supply a written statement wherein she admitted that she began using the cash premium for personal use because she was in

financial trouble. Respondent would later repay the moneys before making the deposit for the agency.

### **Applicable Law**

5. K.S.A. 2004 Supp. 40-4909(a) provides, in relevant part:

“The commissioner may deny, suspend, revoke or refuse renewal of any license issued under this act if the commissioner finds that the applicant or license holder has . . . (2) Violated: (A) Any provision of chapter 40 of the Kansas Statutes Annotated, and amendments thereto, or any rule and regulation promulgated thereunder; . . . (4) Improperly withheld, misappropriated or converted any moneys or properties received in the course of doing insurance business; . . . (8) Used any fraudulent, coercive, or dishonest practice, or demonstrated any incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere. . . .” K.S.A. 2004 Supp. 40-4909(a).

6. The Commissioner may revoke any license issued under the Insurance Agents Licensing Act if the Commissioner finds that the insurable interests of the public are not properly served under such license. K.S.A. 2004 Supp. 40-4909(b).

### **Conclusions of Law**

7. The Commissioner has jurisdiction over Hurley as well as the subject matter of this proceeding, and such proceeding is held in the public interest.

8. Based on the facts contained in paragraphs 2 through 4 above, the Commissioner finds that Hurley has improperly withheld, misappropriated or converted moneys received in the course of doing insurance business.

9. The Commissioner further finds that good cause exists to revoke Hurley’s license in that her conduct has demonstrated incompetence, untrustworthiness, or financial irresponsibility in the conduct of business.

10. The Commissioner concludes that sufficient grounds exist for the revocation of Hurley’s insurance agent’s license pursuant to K.S.A. 2004 Supp. 40-4909(a)(4) and (a)(8).

11. The Commissioner concludes that Hurley's license should be revoked without delay for the protection of the insurable interests of the public.

12. Based on the facts and circumstances set forth herein, it appears that the use of summary proceedings in this matter is appropriate, in accordance with the provisions set forth in K.S.A. 77-537(a), in that the use of summary proceedings does not violate any provision of the law and the protection of the public interest does not require the KID to give notice and opportunity to participate to persons other than Pamela K. Hurley.

**IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT** the Kansas resident insurance agent's license of Pamela K. Hurley, is hereby **REVOKED.**

**Notice and Opportunity for Hearing**

Pamela K. Hurley, within fifteen (15) days of service of this Summary Order, may file with the KID written request for a hearing on this Summary Order, as provided by K.S.A. 77-542. In the event a hearing is requested, such request should be directed to:

John W. Campbell  
General Counsel  
Kansas Insurance Department  
420 S.W. 9<sup>th</sup> Street  
Topeka, KS 66612

Any costs incurred as a result of conducting any administrative hearing shall be assessed against the agent who is the subject of the hearing as provided by K.S.A. 40-4909(f). Costs shall include witness fees, mileage allowances, any costs associated with the reproduction of documents which become part of the hearing record, and the expense of making a record of the hearing.

If a hearing is not requested, this summary order shall become effective as a Final Order, without further notice, upon the expiration of the fifteen-day period for requesting a hearing.

The Final Order will constitute final agency action in this matter.

In the event the Petitioner files a petition for judicial review, the agency officer designated pursuant to K.S.A. 77-613(e) to receive service of a petition for judicial review on behalf of the KID is John W. Campbell, General Counsel, Kansas Insurance Department, 420 S.W. 9<sup>th</sup> St., Topeka, KS 66612-1678.

**IT IS SO ORDERED THIS 27th DAY OF MAY 2005, IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.**



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/s/ Sandy Praeger  
Sandy Praeger  
Commissioner of Insurance  
BY:

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/s/ John W. Campbell  
John W. Campbell  
General Counsel

**Certificate of Service**

The undersigned hereby certifies that he served the above and foregoing Summary Order on this 27th day of May, 2005, by causing the same to be deposited in the United States Mail, first class postage prepaid, addressed to the following:

Patricia K. Hurley  
7441 Edgehill Avenue  
Kansas City, KS 66111

/s/ Shelley J. Diehl \_\_\_\_\_  
Shelley J. Diehl  
Staff Attorney